

Tells Who Is Getting the Profits in Cotton

INTERESTING things are happening these days concerning those who are charging abnormal prices for wearing apparel and various household articles made from cotton. In a recent article in THE DEARBORN INDEPENDENT it was shown that the cotton growers of the South are not the ones who are guilty of gouging and profiteering.

In this article will be found some astounding statements clearly indicating that at least a goodly portion of cotton price boosting is being done by certain citizens of this country who are engaged in the cotton mill business.

The evidence, which shows up cotton mill owners as boosting prices in a seemingly outrageous manner, has been produced by John Quillin Tilson, member of Congress from Connecticut. Being a resident of New England—the very heart of the cotton manufacturing industry—it must be admitted that Congressman Tilson knows exactly what he is talking about, and that his testimony will be valued accordingly.

Mr. Tilson is so thoroughly aroused over the situation that he has introduced a resolution in Congress requesting the Federal Trade Commission to make a complete investigation.

In giving reasons why he deemed an investigation essential, Mr. Tilson presented the statement below to the Committee on Interstate and Foreign Commerce, to whom his resolution for an investigation was referred. It is one of the meatiest and most concise public documents on record in Washington:

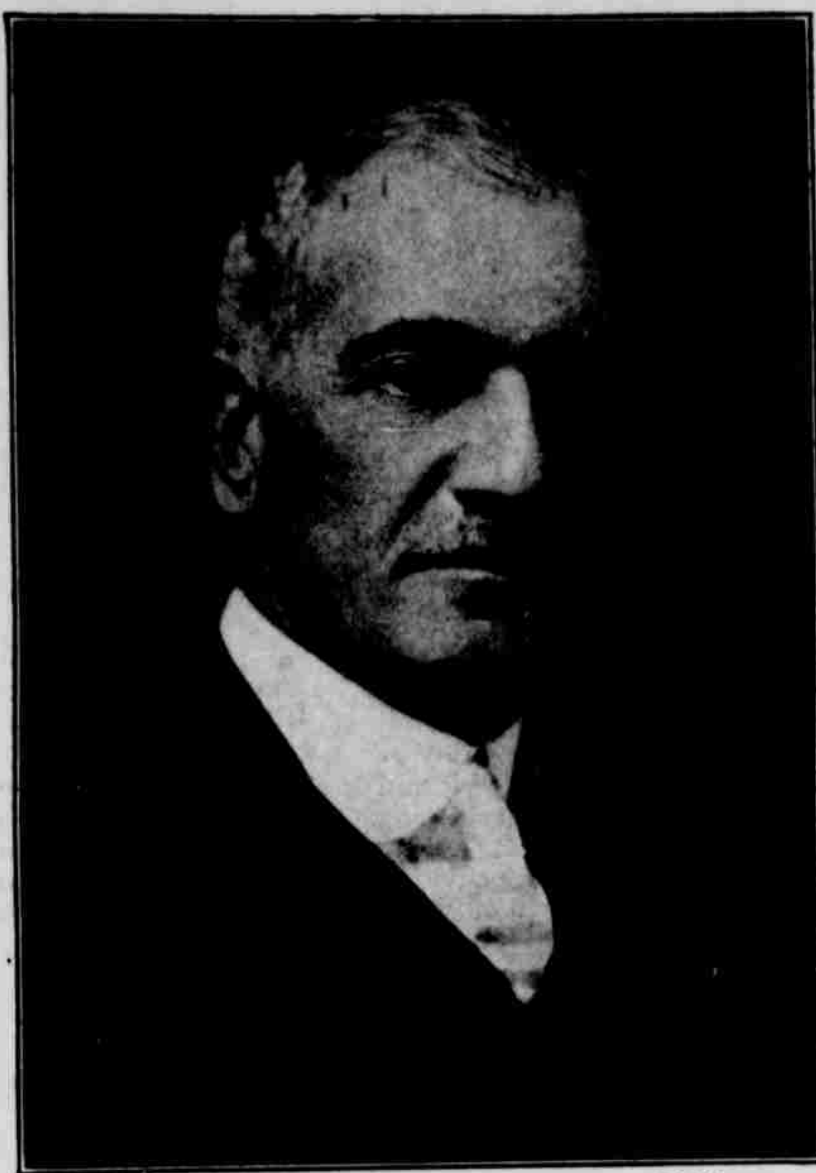
"I do not anticipate that any action you may take upon this resolution or that Congress may take as a result of your recommendation will of itself materially change or affect the condition complained of. Neither will an investigation of the Federal Trade Commission nor any possible proceeding on the part of the government itself, prevent profiteering or bring down the high cost of living, but I do hope that by reason of all these several activities a certain amount of publicity may be given and public opinion aroused, which after all is the most potent factor in a self-governing community.

"A few weeks ago I became convinced, upon information believed by me to be entirely reliable, that among the sinners guilty of making hay while the sun shines, the cotton spinning industry was probably near the head of the class and that prices of combed yarns were the most exorbitant in that industry. I introduced this resolution requesting the Federal Trade Commission to make an investigation of the combed yarn industry, but unanimous consent for the consideration of the resolution was refused in the House and it was sent to this committee. In support of my resolution I have collected some facts concerning high prices and profiteering which are interesting, but which are also startling when it is considered what the necessary effect of these prices is upon the prices of cotton fabrics and the further fact that this is fairly typical of what is going on in many fields of production essential to the comfort and well-being of the people.

"Let me first submit a table from the Textile World Journal, showing the range of prices per pound of three sizes of combed yarns, taken semi-annually, from June, 1914, to December, 1919. The three sizes are No. 40, 2 ply, No. 60, 2 ply, and No. 80, 2 ply.

	1914	1915	1916	1917	1918	1919
	June to De-	June to De-	June to De-	June to De-	June to De-	June to De-
	cember	cember	cember	cember	cember	cember
240s	\$0.43—\$0.38	\$0.40—\$0.50	\$0.58—\$0.85	\$0.85—\$0.90	\$1.00—\$0.95	\$1.20—\$2.50
260s	.55—.50	.52—.65	.75—1.05	1.10—1.15	1.25—1.20	1.55—3.50
280s	.75—.70	.72—.85	1.00—1.25	1.40—1.45	1.55—1.50	2.00—4.75

"It will be observed that the increase in price of these yarns from June, 1914 to June, 1919, is somewhat gradual, but that from June, 1919, to December, 1919, there is in every case a violent jump of more than 100



(C) Edmonston

CONGRESSMAN JOHN QUILLIN TILSON

per cent in the short space of six months. In the same six months raw cotton advanced only about 15 per cent and wages, the other principal item in the cost of production, not more than 15 per cent.

"A hosiery manufacturer showed a few days ago a bill for No. 70, 1 ply, combed yarns, at \$4 per pound. The profiteering in cotton yarns is not confined to any section of the country. It is being practiced by all textile mills and fostered by the American Spinning Association. A president of a bank made this statement the other day: 'A client of our bank, owner of a spinning mill, showed me a statement for the month of January, 1920, that he made \$55,000 that month on a capitalization of \$200,000.' The same banker reported a statement by a manufacturer made a week or so ago to the effect that a cotton mill that does not make back its investment in six months is poorly managed. He also said that prices of raw cotton are not a factor or even a consideration, because the margin of profit is so great. It is not denied that the spinners profited and made big money during the war, but these profits during the last six months are simply enormous.

"Just one more example is given for the purpose of showing that the end is not yet. The Old Dominion Trust Company, of Richmond, Virginia, sent out a circular a few days ago offering a new issue of seven and one-half per cent cumulative sinking-fund preferred stock in a certain North Carolina cotton mill having 50,000 spindles. It is stated in the circular that for the preceding four years the average net earnings of

the mill had been more than \$250,000 per annum, this being two and one-half times the dividend requirements. The most interesting part of the circular is the following statement: 'Net earnings for the year 1920, based on the present cost of cotton and manufacturing, are conservatively estimated to be over \$1,000,000 per annum, or over eight times the dividend requirements. Had the company had the benefit of the new capital now going into the treasury (\$1,500,000) the earnings would have averaged \$375,000 for the past four years, or three times the dividend requirements.'

"I quote from a newspaper article published in the center of a cotton mill district to show the effect of the present reigning prices upon the values of cotton mill stocks: 'Cotton mill owners become millionaires—stories of heavy sales and fabulous dividends by textile plants. Stories of fabulous prices being paid for cotton mill stocks, of the consequent quick enrichment of the former holders, and of the superdividends to shareholders in other plants have been shifting through the heavy screen of secrecy which is thrown around financial fortunes of industry and commerce. If these stories are true, even in part, many men in the district have jumped into the \$100,000 class recently, and some have gone to the \$1,000,000 mark.'

"Throughout the period of the war, especially up to the last year, there was little exchange of cotton mill stocks. Dividends hit below zero early in the struggle, struck normal after the first year or eighteen months, went to attractive figures the third year. The fourth year men began to get rich. But it remained for the year following the war to witness the most spectacular high prices of cotton mill stocks.'

"The exorbitant prices complained of are not confined to any one section of the country. In my judgment, it is just about a fifty-fifty proposition between the mills of New England and those of the South. It is possible that the mills of New England have been a little more quiet about it.

"I have asked for a favorable report on my resolution because I have hopes that an investigation by the Federal Trade Commission, quickly made, covering thoroughly all the salient facts directly relating to the inordinately high prices of cotton yarns, and made public at the earliest possible moment will have a salutary effect. It will, at least, help to fix public attention upon a condition that is well-nigh intolerable and one that will inevitably and for a long time increase the prices of many necessary and useful articles made from cotton yarns. These goods are already much too high in price, but of necessity must go much higher if the present prices of cotton yarns continue to prevail."

Congressman Tilson is not an amateur in public affairs. He was first elected to Congress a dozen years ago. Previous to that time he was a member of the Connecticut legislature, serving for one session as Speaker of the House. He served in the Spanish War, and also saw service along the Mexican border in 1916. He is a shrewd, hard fighter and, before he gets through with the cotton mill profiteering, it is a dead certainty that considerable fur will be flying.

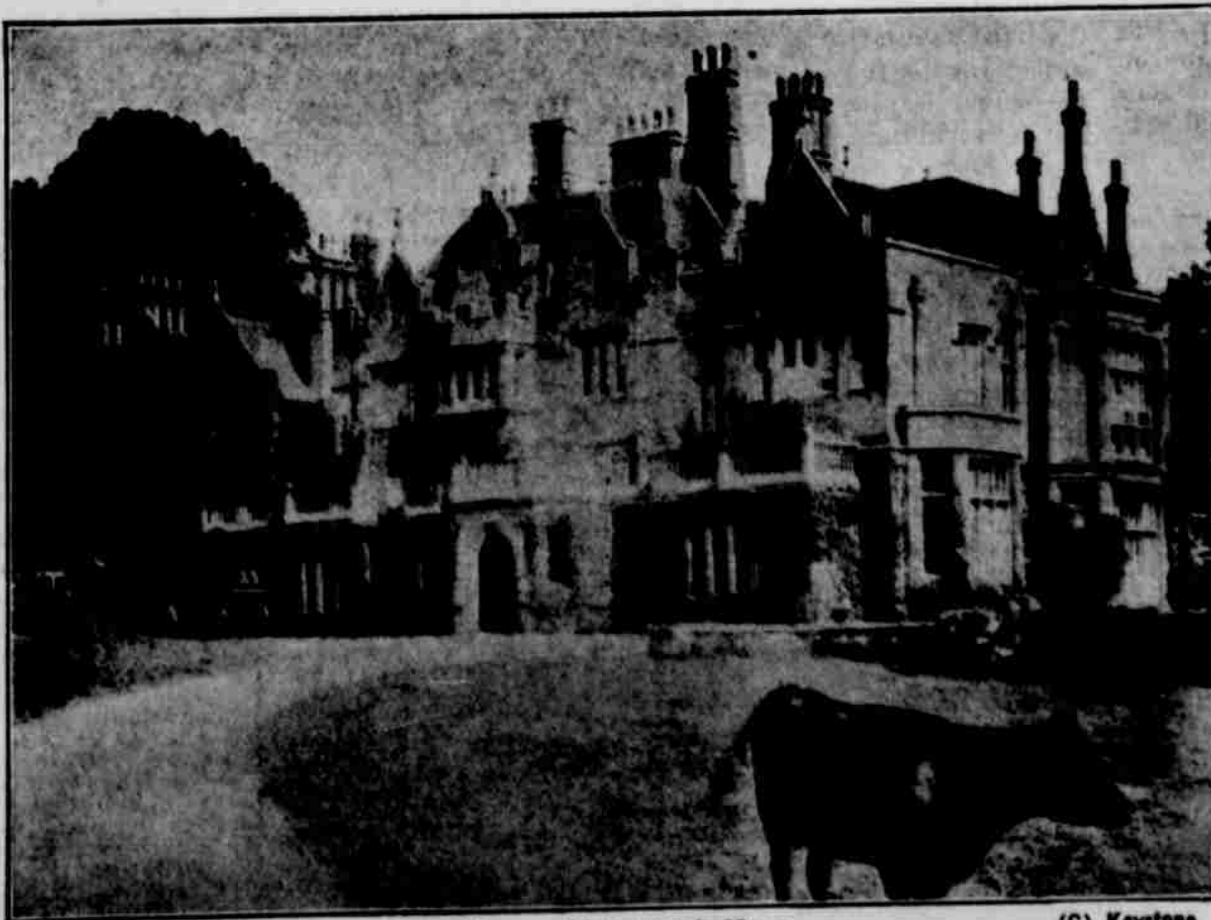
Due to the fact that practically every man, woman and child in this country wears articles of clothing made of cotton, and that many household articles are also made of cotton, the public generally will keep close watch on the efforts of this man Tilson to drive the price down to a figure within the bounds of reason.

A Memory of "The Lady With the Lamp"

THE name of Florence Nightingale seems to come to us from out of a remote past. But it is only 10 years since she died, although it is 100 years since she was born. Indeed, the centenary of her birth will be celebrated on May 12, for on that day, in the year 1820, at Florence, Italy, she was born. She was, however, an Englishwoman of English parentage, but there was an internationalism in her humanity which has since been organized in the development of nursing skill that has sprung up everywhere.

The first public monument ever raised in London to a woman not of royal blood was raised to Florence Nightingale in 1915. She was also the first woman to receive the Order of Merit.

As shown by the picture of her home printed with this article, Florence Nightingale began life on a very comfortable level of the social scale. Her mother was of philanthropic turn of mind and frequently directed her daughter's attention toward the hospitals. Desirous of herself becoming a nurse,



Florence Nightingale's Home

(C) Keystone

Florence studied with the Sisters of St. Vincent de Paul in Paris and at the Institute of Protestant Deaconesses at Kaiserswerth on the Rhine. She then became ambitious to raise nursing into the status of a profession for women. At the age of 34, she was called to the Crimean War and amid unbelievable difficulties she instituted a sanitary régime which made her a saint in the soldiers' eyes and a heroine in the estimation of the British people. Parliament voted her a quarter of a million dollars in recognition of her service, which she refused, requesting that it be used to found a nurses' training school. During the American Civil War her advice was sought upon hospitals, as it was also during the Franco-Prussian War in 1870. Her fame never decreased, though she lived in complete retirement during her later years. Because of her night vigils in the hospitals before the days of gas or electric lighting, and because of the poem Longfellow wrote about her, she was known as "The Lady with the Lamp."